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UNCLAS SECTION 01 OF 04 HARARE 002622

STPDTS

USAID/W FOR DCHA/OFDA FOR HAJJAR, KHANDAGLE AND MARX DCHA/FFP FOR LANDIS, BRAUSE, SKORIC AND PETERSEN AFR/SA FOR POE AND COPSON AFR/SD FOR ISALROW AND WHELAN STATE FOR AF/S DELISI AND RAYNOR NAIROBI FOR DCHA/OFDA/ARO FOR RILEY, MYER AND SMITH REDSO/ESA/FFP FOR SENYKOFF GENEVA PLEASE PASS TO UNOCHA, IFRC PRETORIA FOR USAID/DCHA/FFP FOR DISKIN DCHA/OFDA FOR BRYAN AND FAS FOR HELM ROME PLEASE PASS TO FODAG

E.O. 12958: N/A TAGS: <u>EAID PREL US</u> <u>ZI</u>

SUBJECT: WORLD FOOD PROGRAMME ZIMBABWE STATUS UPDATE

SUMMARY

11. During October 2002, the World Food Programme (WFP) distributed 22,495 metric tons (MT) of food commodities, falling short of its planned distribution of 33,060 MT. Nevertheless, because of increased food insecurity in Zimbabwe, WFP is expanding its targeted number of beneficiaries from 1.9 million to 5.8 million, and the number of districts covered from 25 to 57. Due to insufficient resources to meet this increased need, WFP is projecting a shortfall of 167,169 MT food commodities between November 2002 and the end of March 2003. There is currently 61,000 MT of U.S.-donated maize for Zimbabwe in or arriving at ports in southern Africa. Lack of sufficient authorized capacity to mill U.S.-donated maize into maize meal is severely delaying shipment into Zimbabwe and will further compound WFP resource constraints. WFP Country Director doubts that a negotiated swap of 17,500 MT maize with the Government of Zimbabwe's Grain Marketing Board will take place. END SUMMARY.

OCTOBER DISTRIBUTION FALLS SHORT OF TARGET

12. During October 2002, WFP and its implementing partners (IPs) distributed a total of 22,495 MT food commodities for 1.5 million beneficiaries in 25 of Zimbabwe's 57 districts. This total consisted of 21,537 MT maize, 144 MT vegetable oil, 747 MT beans, and 67 MT corn-soy blend (CSB). The distribution fell short of WFP's target of 33,060 MT and 1.9 million beneficiaries because of a fragile pipeline and continued problems with the importation of biotech maize. The cumulative total of food aid distributed between April and October is 78,271 MT.

WFP TO EXPAND DISTRIBUTION TO ALL 57 DISTRICTS

- 13. Through October 2002, WFP had been targeting the 25 districts that had been hardest hit by the food security crisis. WFP's original Southern Africa Region (SAR) Emergency Operation (EMOP) 10200.0 called for distribution to 3.9 million beneficiaries. To date, due to capacity and resource constraints, WFP has been unable to meet this target. Nevertheless, in response to the projected increase in food insecurity that was detailed in the Zimbabwe Vulnerability Assessment Committee's (VAC) Emergency Food Security Assessment Report (dated September 16, 2002), WFP intends to expand the number of beneficiaries and districts that it is targeting in Zimbabwe over the coming months. During November, WFP plans to target 36 districts and 3.0 million beneficiaries. The December target is 44 districts and 4.5 million beneficiaries. The January (2003) target is for all 57 districts and 5.5 million beneficiaries. February and March targets are 57 districts and 5.8 million beneficiaries. NOTE: The difference between WFP's planned 5.8 million beneficiaries and the VAC report's estimated 6.7 million eligible Zimbabweans is expected to be covered by USAID's new parallel NGO pipeline (termed C-SAFE) and other lesser bilateral activities. END NOTE.
- 14. Currently there are ten national and international private voluntary organizations (PVOs) with agreements to work as Implementing Partners (IPs)of WFP. The PVOs are working/will work in the following districts:

CARE: Gweru, Chirumanzu, Gutu, Bikita, Zaka, Masvingo, Chivi, Zvishavane, Mberengwa, Mwenezi.
CHRISTIAN CARE: Kariba, Guruve, Muzarabani, Rushinga, Shamva, Bindura, Mazowe, Zvimba, Buhera, Chimanimani, Chipinge.
CONCERN: Nyanga, Kwekwe, Gokwe.
CATHOLIC RELIEF SERVICES: Makonde, Chegutu, Kadoma.
GOAL: Hurungwe, Makoni.
HELP AGE ZIMBABWE: Nkayi.
LUTHERAN DEVELOPMENT SERVICES: Shurugwi.
ORAP: Hwange, Tsholotsho, Umzingwane, Insiza.
PLAN INTERNATIONAL: Mutasa, Mutare.
WORLD VISION: Mount Darwin, Mudzi, Mutoko, Murehwa,
Goromonzi, Marondera, Chitungwiza Seke, Wedza, Chikomba,
Chiredzi, Beitbridge, Gwanda, Matobo, Bulilimamangwe,
Bulawayo, Bubi, Lupane, UMP.

15. NOTES: (1) The more recently approved IPs, such as CONCERN, GOAL and CRS, will only commence distributions in their respective assigned districts in November and December. (2) While World Vision (WV) is an IP of WFP, their activities in Beitbridge and Bulilimamangwe Districts are being resourced through a USAID bilateral Title II program. (3) To date, the Government of Zimbabwe (GOZ) has prohibited Save the Children Federation/UK (SCF-UK) from working as an IP of WFP in Zimbabwe. Following extensive negotiation with the GOZ, SCF-UK has finally received formal GOZ approval to resume bilateral food distributions in the Binga District, however, not as an IP of WFP. SCF-UK food distributions in Binga are expected to begin this week. (4) The Mission received notification this week that Action Against Hunger and the German NGO HELP had also received GOZ approval to participate in WFP program operations in Zimbabwe, bringing the new total number of approved WFP NGO IPs to 12 (plus SCF-UK's bilateral program in Binga noted above).

WFP HAS INSUFFICIENT RESOURCES TO MEET NEEDS

16. Even though WFP is planning to expand the number of beneficiaries and districts covered by its operations, it does not have sufficient resource commitments to meet the projected needs. For example, CD Farrell noted that WFP currently has only 16,000 MT of commodities in Zimbabwe, less than one month's supply. As a result, WFP is projecting a shortfall of 167,169 MT of food commodities between November 2002 and the end of March 2003. The total shortfall consists of 88,003 MT cereals, 22,429 MT pulses, 4,775 MT vegetable oil, and 51,962 MT corn-soy blend (CSB). The projected monthly shortfall of cereals is as follows (in MT): November - 2,644; December - 27,350; January (2003) - 22,450; February - 21,862; and March - 13,697. Under these circumstances, Kevin Farrell, Country Director (CD) of WFP's operations in Zimbabwe, admits that WFP's expanded beneficiary numbers noted above are "ambitious targets", considering the current import delays and resource constraints.

- 17. To date, WFP's Southern Africa Region (SAR) Emergency Operation (EMOP) 10200.0 for Zimbabwe has been 48.8 percent resourced, receiving USD 111,952,689 of a requested USD 229,390,598. NOTE: This cumulative total represents a corresponding 250,603 MT of food, or 55% of the total requested 452,955 MT of commodities. END NOTE. The United States is the largest single donor to EMOP 10200.0, having contributed USD 46,700,000 (or 108,864 MT), equal to 20.4 percent of the EMOP and 41.7 percent of the total contributions to date (as of October 28, 2002). EMOP 10200.0 covers the nine-month period July 1, 2002 to March 31, 2003.
- 18. Based on received and planned imports, WFP currently projects Zimbabwe's cereal gap until the next harvest to be about the same as that presented in the September VAC report 370,000 MT. Significantly, this figure is based upon 498,000 MT of GOZ imports already received, and 465,000 MT of additional planned GOZ imports, approximately 370,000 MT of which has been confirmed as "contracted" by the GOZ to date. NOTE: Although contracted, most knowledgeable observers remain skeptical that all of these additional GOZ imports will actually materialize, given the parlous state of the government's finances. END NOTE. This projected gap also presupposes 195,000 MT of additional WFP imports, plus 62,000 MT of additional food imports from USAID's C-SAFE and other complementary/parallel pipeline sources.

LACK OF MILLING CAPACITY CAUSES U.S. MAIZE TO SIT IN PORTS

commodities for the southern Africa region remain in regional ports. Some 37,893 MT U.S.-donated maize designated for Zimbabwe sits in the ports of Maputo, Mozambique and Durban, South Africa. Another 23,000 MT maize for Zimbabwe is currently arriving in port aboard the Liberty Sun, bring the total to about 61,000 MT. Because of concerns over the biotech issue, this maize must be milled into maize meal and labeled before it can be distributed to beneficiaries in Zimbabwe. In order for the maize to be milled in Zimbabwe, the mill must be authorized and monitored by the GOZ's Biosafety Board. To date, only National Food's Bulawayo mill, which has the capacity to mill up to 12,000 MT per month, has received authorization to perform this work. WFP estimates that Zimbabwean mills have the capacity to mill at least 50,000 MT per month. The lack of sufficient authorized milling capacity in Zimbabwe is severely limiting WFP's ability to meet the needs of its program. WFP has appealed to the GOZ to expand the list of authorized millers to include sites in Harare and Gweru.

- 110. In a monthly donors' meeting in Harare on November 13, 2002, WFP CD Farrell reported that of 13,000 MT U.S. maize delivered to the Bulawayo mill, some 8,000 MT had already been milled. He also reported that WFP had visited the mills in South Africa where the Government of South Africa had agreed to mill 60,000 MT of U.S. maize donated to the regional EMOP 10200.0. At this time, it is not clear when the South African milling-donation will take place.
- 111. Although secondary transport (to mid-stream and final distribution points) is not yet a major problem, CD Farrell noted that fuel shortages are becoming an increasing constraint. An additional constraint is inadequate storage facilities, with commodities stored in open air warehouses and tents subject to more rapid deterioration from the elements. On a more positive note, he noted that the average waiting time for customs clearance at the major Beitbridge border post had been reduced from 3 days to 26 hours.

WFP CD DOUBTS MAIZE SWAP WILL TAKE PLACE

112. WFP CD Farrell also reported that he did not believe that the planned swap of 17,500 MT of U.S. maize with the GOZ's Grain Marketing Board (GMB) was likely to take place. Under the terms of the swap agreement, the GMB would give 17,500 MT of non-biotech maize in exchange for the U.S.-donated maize. WFP would then distribute the whole-kernel maize, while the GMB would mill the U.S.-donated maize. He reported that he did not think that the GMB possessed sufficient quantities of maize at this time to effect this swap. Until this swap agreement is carried out or terminated, WFP must continue to warehouse the 17,500 MT maize at port in readiness should the swap move forward.

COMMENT

113. At the monthly briefing, WFP CD Farrell's presentation was a valiant effort to put a positive spin on an increasingly difficult country situation. While progress continues on NGO IP approvals, and increased geographic coverage and the numbers of beneficiaries reached, these positive developments mask a fundamentally fragile pipeline exacerbated considerably by import and distribution bottlenecks associated with the biotech issue. Until and unless these issues are fully resolved, WFP's efforts to meet expanding needs in Zimbabwe will continue to suffer from significant resource constraints. Efforts continue to resolve these issues to final satisfaction with the GOZ, so that the program may proceed to meet its expanded targets over the coming critical months before the next harvest. SULLIVAN